

REMARKS

I. Introduction

Claims 1 and 38-42 remain in this application. Claims 2-3 have been previously canceled and claims 4-37 have been previously withdrawn from consideration.

The Examiner maintained the rejection of claims 1 and 38-42 under 35 U.S.C. § 103(a) as being unpatentable over May U.S. Patent 6,317,727 (hereinafter "May") in view of Tozzoli et al. U.S. Patent 5,717,989 (hereinafter "Tozzoli"). This rejection is respectfully traversed. Applicants have amended claim 1 to expedite allowance of the present application. No amendment was made for a reason related to patentability. Applicants reserve the right to pursue the subject matter of the claim before amendment in one or more continuing applications. Claim 43 has been added. No new subject matter has been added and the amendments to the claims are fully supported by the specification.

II. Summary of Interviews

On December 14, 2005, the undersigned and Joel Weiss, Attorney for Applicants, conducted telephonic interviews with the Examiner, Harish T. Dass, and with the Examiner's supervisor, Hyung S. Sough. Applicants wish to

thank Mr. Dass and Mr. Sough for the courtesies extended during the telephonic interviews. During the interviews, the rejection of independent claim 1 in light of Applicants' June 1, 2005 Reply to Office Action was discussed. The Examiner suggested that applicants amend independent claim 1 to more particularly define the claimed invention. No agreement was reached with respect to a specific amendment that would make prompt the withdrawal of the rejection of independent claim 1 and dependent claims 38-42.

III. Applicants' Reply to the Claims Rejection
Under 35 U.S.C. § 103(a)

With respect to the outstanding rejection under 35 U.S.C. § 103(a) of claims 1 and 38-42, applicants make the following remarks.

One embodiment of applicants' invention is directed toward a method for qualifying a participant in an electronic trading system. More specifically, such a method allows an electronic trading system host or other parties to confine the ability of a participant to participate in trading with such parties.

According to this method, as specified in amended independent claim 1, a host qualification test and a third

party qualification test are applied to the participant. Applicants have amended claim 1 to recite an embodiment in which the third party qualification test determines whether another participant that is qualified to trade in the electronic trading system qualifies the participant. See applicants' specification, page 14, lines 5-8. For example, the third party qualification test may be a method for determining whether the participant is qualified to participate by an existing participant - i.e., a person or controlling entity that is already qualified to trade and that receives and responds to trading data - such as a trader or a broker trading in the electronic trading system. See applicants' specification, page 10, lines 2-8.

Qualification trading parameters are then assigned to the participant based upon both tests and a determination is made as to whether or not the participant qualifies to trade in the electronic trading system.

The Examiner states, and applicants agree, that May does not disclose applying a third party qualification test so that the participant qualifies to trade in the electronic trading system. However, the Examiner is of the opinion that Tozzoli discloses applying such a test. Applicants

respectfully disagree with respect to the claims before amendment and especially in light of applicants' amendment that defines an embodiment of a third party qualification test.

Applicants have amended claim 1 to specify that the third party qualification test determines whether another participant that is already qualified to trade in the electronic trading system qualifies the participant. On the other hand, Tozzoli refers to filtering a potential participant based on predetermined criteria specified by a funder. As referred to in Tozzoli, a funder guarantees payment for transactions processed between an approved buyer and a seller which satisfy the funder's predetermined criteria and is therefore not a participant that is already qualified to trade in the trading system. Tozzoli Abstract and col. 5, lines 36-60 and claim 1. By referring to filtering based on criteria specified by a funder, Tozzoli does not teach applying a qualification test through a qualified participant and instead suggests applying a qualification test based on an outside party that is not already qualified to trade in the trading system. Therefore, Tozzoli does not teach or suggest applying a third party

qualification test, as specified in applicants' amended claim 1, and thus does not teach or suggest assigning qualification trading parameters based upon such a test.

Accordingly, neither May nor Tozzoli teaches or suggests applying a third party qualification test determining whether another participant that is qualified to trade in the electronic trading system qualifies the participant, assigning qualification trading parameters to the participant based upon the third party qualification test, and determining whether the participant qualifies to trade in the electronic trading system as specified in claim 1. For the reasons set forth above, claim 1, along with claims 38-42 which depend therefrom, are allowable. Applicants therefore request that the rejection of claims 1 and 38-42 be withdrawn.

IV. New Claim 43

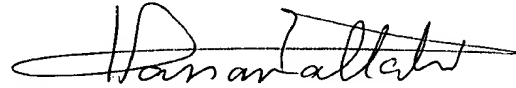
Claim 43 has been added. Applicants submit that claim 43 is fully supported by the specification and that no new subject matter has been added. Because claim 43 includes features similar to all of the ones in allowable claim 1, claim 43 is also allowable.

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V. Conclusion

The foregoing demonstrates that this application is in condition for allowance. Reconsideration and allowance are accordingly respectfully requested.

Respectfully submitted,



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